

Worksheet for SAVA discussion on retirement plan design changes (December 11, 2009)

FIREFIGHTERS' UNIFIED RETIREMENT SYSTEM (FURS)

Plan includes: Firefighters employed by a city of the first or second class, firefighters hired by the Montana Air National Guard on or after October 1, 2001, and certain cities and rural fire departments that elect to be covered by the system. [19-13-210, MCA]

Funded ratio as of June 30, 2009: 68.5%

Years to amortize unfunded liability: 12.7 years

Social Security coverage: No

Plan Element	Current Design	Proposed (if any)
Service/Age Requirements for full (unreduced) normal retirement benefit	20 years service, any age OR age 50 with 5 years service	
Vesting	5 years	
Benefit formula - multiplier	2.5% x FAC x years of service OR <u>Pre-7/1/81 who did not elect GABA:</u> 1) With less than 20 years the greater of: a) 2.5% x FAC x years of service; or b) 2% x FMC x years of service. 2) With more than 20 years: 50% of FMC plus 2% of FMC for each year over 20 years of service.	

Benefit formula - Final average compensation (FAC) and Final monthly compensation (FMC)	Final average compensation = average salary over the last 36 consecutive months of service Final monthly compensation = monthly salary last received by member	
Early retirement - benefit actuarially reduced	No	
Post-retirement benefit adjustments	Pre 7/1/97 who did not elect GABA: 1/2 monthly salary of new firefighter Post 7/1/97 or electing GABA: 3% after 1 year	
Employee contribution (% of salary)	Pre-7/1/97 not electing GABA: 9.5% Post 7/1/97 OR electing GABA: 10.7%	
Employer contribution (% of payroll)	14.36%	
Other sources (as % of payroll)	State General Fund: 32.61% \$9,831,417 in FY09 [19-13-604, MCA]	
Other changes SAVA wishes to consider?		

HB 659 requires SAVA to examine changes to elements listed in **bold**